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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/995,178	11/27/2001	Michael D. Bergmann	P-M B-01	5423
28784	7590	10/03/2007		
GERGORY W. O'CONNOR			EXAMINER	
4701 HOMESTEAD			DASS, HARISH T	
LITTLETON, CO 80123				
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Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

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<b>Office Action Summary</b>	<b>Application No.</b> 09/995,178	<b>Applicant(s)</b> BERGMANN ET AL.	
	<b>Examiner</b> Harish T. Dass	<b>Art Unit</b> 3693	

**-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --**

**Period for Reply**

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

**Status**

- 1) ☒ Responsive to communication(s) filed on 19 April 2007.
- 2a) ☒ This action is **FINAL**.                      2b) ☐ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

**Disposition of Claims**

- 4) ☒ Claim(s) 1-6 is/are pending in the application.
- 4a) Of the above claim(s) 2-5 is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 1, and 6 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

**Application Papers**

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on \_\_\_\_\_ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

**Priority under 35 U.S.C. § 119**

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All    b) ☐ Some \* c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
  2. ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
  3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

\* See the attached detailed Office action for a list of the certified copies not received.

**Attachment(s)**

- |  |   |
|--|---|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892)                                | 4) <input type="checkbox"/> Interview Summary (PTO-413)<br>Paper No(s)/Mail Date. _____ |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948)                       | 5) <input type="checkbox"/> Notice of Informal Patent Application                       |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO/SB/08)<br>Paper No(s)/Mail Date _____ | 6) <input type="checkbox"/> Other: _____  |

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### **DETAILED ACTION**

**Status of Claims:**

Claims 1 & 6 are pending.

Claims 2-5 are withdrawn.

#### ***Claim Rejections - 35 USC § 112***

1. The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

Claim 1, and claim 6 are rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention. Particularly, claim 1 preamble is directed to method claim as well as system claim. See "In a method for optimizing ... which system includes ..."

#### ***Claim Rejections - 35 USC § 103***

2. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

Claims 1-2 are rejected under 35 U.S.C. 103(a) as being unpatentable over Frank et al (hereinafter Frank – US 6,240,399) in view of Maggioncalda et al. (hereinafter Maggioncalda - US 2002/0138386).

Re. Claim 1, Frank discloses a. defining several accounts, each of which accounts have financial investments, each of which financial investment in the account being characterized in one or more asset classes, the financial investments in a particular asset class having a tax characteristic in common with one another [Figures 1, 6-7; col. 1 lines 15-55; see entire document which is related to optimization of investment allocation and tax situation], b. determining the contingent tax on each asset class by calculating the difference between the market value of the asset class and its tax basis multiplied by the expected effective tax rate upon liquidation [See Figures 7-8; col. 10 lines 34-46 and appendix A], pre-tax and after-tax return [col. 5 line 46; claim 2], and constraints [col. 8 lines 40-42], the financial investments in each asset class having a market value, a tax basis, an expected effective tax rate upon liquidation [Figure 1 (stocks, bonds); col. 5 line 65 to col. 6 line 64], investment characteristics, including after-tax expected returns and volatility estimates [col. 1 lines 25-30 (expected return and risk); col. 3 lines 14-38; ], and which investment constraints have the effect of applying upper and lower limits to a financial value of the financial investments that must be maintained [col. 10 line 56 to col. 11 line 267 (limits and threshold)].

Frank does not explicitly disclose determining pre-tax and after-tax constraints on what investments are to be contained in the portfolio as to asset classes, and d. transforming the pre-tax constraints and pre-tax investment characteristics into a set of after-tax constraints and investment characteristics, including after-tax expected returns and volatility estimates. Maggioncalda discloses c. determining pre-tax and after-tax constraints on what investments are to be contained in the portfolio as to asset classes,

and d. transforming the pre-tax constraints and pre-tax investment characteristics into a set of after-tax constraints and investment characteristics, including after-tax expected returns and volatility estimates [see entire document, see the formula, and relevant paragraphs. 9, 73-74, 100, 169, 251, 229 (portfolio characteristics can include the upper/lower limits), para. 298 (parameters or constraints); also range]. It would have been obvious at the time the invention was made to a person having ordinary skill in the art to modify the disclosure of Frank and include determining pre-tax and after-tax constraints on what investments are to be contained in the portfolio as to asset classes, transforming the pre-tax constraints and pre-tax investment characteristics into a set of after-tax constraints and investment characteristics, including after-tax expected returns and volatility estimates and, and adjusting market values of financial assets in each portfolio to reflect the effect of the contingent tax on the assets, as disclosed by Maggioncalda, to provide a financial advisory method for advising a user regarding feasible and optimal portfolio allocations among set of available products and taking into account the tax implication of the financial product and financial conditions of the user (client).

Re. Claim 6, Frank discloses calculating after-tax returns and pre-tax returns using corresponding pre-tax returns [col. 5 line 46; col. 4 lines 20-28; claim 2].

Maggioncalda discloses wherein the step of transforming the pre-tax constraints and pre-tax investment characteristics into a set of after-tax constraints and investment characteristics [see above] to distinction between before-tax and after-tax dollars when

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calculating the asset allocation and considering tax issue when making reasonable adjustments. Calculating standard deviations is known. It would have been obvious at the time the invention was made to a person having ordinary skill in the art to modify the disclosures of Frank and Maggioncalda and include calculating pre-tax and after tax standard deviations to evaluate how close the data spreads are and as a result of this calculation make best allocation decision.

### ***Response to Arguments***

3. Applicant's arguments with respect to amended claims have been considered but are moot in view of the new ground(s) of rejection.

### ***Conclusion***

4. Applicant's amendment necessitated the new ground(s) of rejection presented in this Office action. Accordingly, **THIS ACTION IS MADE FINAL**. See MPEP § 706.07(a). Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

A shortened statutory period for reply to this final action is set to expire THREE MONTHS from the mailing date of this action. In the event a first reply is filed within TWO MONTHS of the mailing date of this final action and the advisory action is not mailed until after the end of the THREE-MONTH shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of

the advisory action. In no event, however, will the statutory period for reply expire later than SIX MONTHS from the date of this final action.

6. The prior art made of record and not relied upon is considered pertinent to applicant's disclosure. Applicant is required under 37 CFR ' 1.111 (c) to consider the references fully when responding to this action.

US 2005/0154658 (Bove et al.) discloses an automated investment planning generating financial transaction recommendations for modifying a client's current asset portfolio to reach as close as possible to a desired asset allocation and asset placement.

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Harish T. Dass whose telephone number is 571-272-6793. The examiner can normally be reached on 8:00 AM to 4:50 PM.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, James A. Kramer can be reached on 571-272-6783. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

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Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

Harish T Dass  
Primary Examiner  
Art Unit 3693

*Harish T Dass*

9/24/07